

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3153
ANSWERED ON:10.08.2001
TYRE PRODUCTION
JASWANT SINGH YADAV

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the tyre production during 2000-2001 has declined as compared to the last year;
- (b) if so, the details thereof;
- (c) whether it has further declined during April-May 2001 as compared to corresponding period of last year;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the steps being taken by the Government to boost the production of tyre for better development of domestic automobile sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

- (a) & (b) : No, Sir. The total production of tyres has shown an increase of 3% during 2000-2001 (424.71 lakh nos.) as compared to 1999-2000 (414.13 lakh nos.);
- (c) & (d) : During April-May, 2001 production of all categories of tyres put together has dropped by 3% (35,25,617 nos.). This is largely on account of fall in production of commercial vehicles and in transportation of goods by road during this period;
- (e) : In the Union of Budget 2001-02, Government has announced a reduction of 8% Excise Duty in the case of passenger cars (from 40% to 32%) and scooter/motor cycles (from 32% to 24%) which is likely to boost demand in the automobile sector. This, in turn, would provide an impetus to tyre industry by way of growth and demand from the original equipment segment.